

### **Renewal of Section 8 Project-Based Rental Assistance**

Through Project-Based Section 8 Rental Assistance, HUD assists more than 1.2 million extremely low-, low- and very low-income families in obtaining decent, safe, and sanitary housing.

**Nature of Program:** HUD renews Section 8 project-based housing assistance payments (“HAP”) contracts with owners of multifamily rental housing. The project-based rental assistance makes up the difference between what an extremely low-, low-, or very low-income household can afford and the approved rent for an adequate housing unit in a multifamily project. Eligible tenants must pay the highest of 30 percent of adjusted income, 10 percent of gross income, or the portion of welfare assistance designated for housing or the minimum rent established by HUD.

Originally, the assistance was provided in connection with new construction or substantial rehabilitation or to support existing projects. Authority to use project-based rental assistance in connection with new construction or substantial rehabilitation was repealed in 1983. While funding is no longer available for new commitments, funding is available for the renewal of Section 8 HAP contracts for units already assisted with project-based Section 8 renewal assistance.

**Applicant Eligibility:** Project sponsors are private owners, both profit-motivated and nonprofit or cooperative organizations. Extremely low- and very low-income families whose incomes do not exceed 50 percent of the median income for the area are eligible to occupy the assisted units. A limited number of available units may be rented to low-income families whose incomes are between 50 percent and 80 percent of median income for the area.

**Legal Authority:** For the renewal of Section 8 project-based assistance, see Section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f). For Section 8 procedures, see Section 8 regulations at 24 CFR parts 5, 402, 880-881, 883-884, 886, and 891 subpart E.

**Administering Office:** Assistant Secretary for Housing-Federal Housing Commissioner, Department of Housing and Urban Development, Washington DC 20410.

**Information Sources:** HUD field offices.

**Current Status:** Active. The program is active for administration and the renewal of existing project-based Section 8 contracts. Renewals are funded on an annual basis through appropriations acts.